(c) steps proposed to review the reasons for slow recovery of Indian Bank in all spheres;

(d) whether Government would supervise major functions of this Bank; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (c) No, Sir. Indian Bank's performance has been consistently good during the recent years. Indian Bank has achieved net profit of Rs. 408.49 crore during the year 2004-05 as against Rs. 188.83 crore during the year 2002-03. Gross NPAs of the Bank have decreased from Rs. 1630 crore in 2002-03 to Rs. 742 crore in 2004-05. By adopting suitable strategies and putting in place an effective recovery mechanism, the Bank could reduce the percentage of gross and net NPA to 3.53% and 1.06% by September, 2005 from 21.76% and 10.07% by March, 2001 respectively.

(b) Government has announced an autonomy package on 22.02.2005 whereby the public sector banks including Indian Bank have been granted autonomy in matters of placement, promotions, rewards and incentives for meritorious performance, campus recruitment to attract telent etc.

(d) The Government has put in place a mechanism to monitor the performance of all public sector banks including Indian Bank, on the basis of the 'Statement of Intent on Annual Goals' submitted by them.

(e) Does not arise.

Taxes on small and cottage industries

†1442. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are continuously imposing taxes one after another on common masses and small and cottage industries of the country due to which the tax system prevalent in the country has become more difficult;

(b) if so, the details thereof and the reasons therefore; and

†Original notice of the question was received in Hindi.

(c) the remedial measures taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government policy is to broaden tax base along with moderate rates.

So far as direct taxes are concerned, the income tax burden on the common masses and small and cottage industries has been substantially reduced by increasing the threshold limit of taxable income to one lakh rupees, widening the tax slabs and providing deduction for savings upto one lakh rupees.

In respect of indirect taxes, a large number of mass consumption items are exempted from excise duty. In the cottage sector, the Government has already exempted first clearance of small scale units upto Rs. 1 crore in a year provided its annual turnover does not exceed Rs. 4 crore.

(b) and (c) Do not arise in view of reply to (a) above.

Issue of CHA licences

1443. SHRI RAJNATH SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether there exists a hidden policy to issue less number of Customs House Agents Licenses across the country, keeping in view of the fact that the notices inviting for fresh licenses are not advertised in the newspapers and regional restrictions are applied for aspirants to apply for the same, but once a license is issued, it is valid for customs clearance work throughout the country; and

(b) if so, reasons therefor and what steps are being taken to publicise the matter leading to widening of employment opportunities by promoting choices for competitive efficiency to importers and exporters by facilitating their international logistics management?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. There is no hidden policy to issue less number of Customs House Agents Licences across the country and the applications for issuing fresh licences are invited through advertisements in at least two newspapers having circulation in the area